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## About ICHCA – International Cargo Handling Co-ordination Association

The International Cargo Handling Co-ordination Association (ICHCA) is an international, independent, not-for-profit organisation dedicated to improving the safety, security, sustainability, productivity and efficiency of cargo handling and goods movement by all modes and through all phases of national and international supply chains. ICHCA International’s privileged non-government organisation (NGO) status enables it to represent its members, and the cargo handling industry at large, in front of national and international agencies and regulatory bodies. Its Expert Panel provides best practice advice and publications on a wide range of practical cargo handling issues.

ICHCA Australia Ltd is proud to be part of the ICHCA International Ltd global network. To access past newsletters and other useful information go to the ICHCA Australia website at [www.ichca-australia.com](http://www.ichca-australia.com). The ICHCA international website is at [www.ichca.com](http://www.ichca.com). To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at [peter.van-duyn@ichca.com](mailto:peter.van-duyn@ichca.com) or telephone 0419 370 332.

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## ICHCA Australia appoints new director

Scott McKay, T-Ports CEO and Flywheel Advisory founder & principal has recently joined ICHCA Australia Ltd as a board member. Scott has 40 years' experience in accounting, executive management, and supply chain advisory roles. He previously served as CEO of Bowmans Rail and before that supply he was chain leader at Aurecon, providing strategic counsel to customers around the world. Scott was formerly a chartered accountant with KPMG for more than a decade, working largely with supply chain customers. As founder and principal of Flywheel Advisory, he leads a level of service that is pivotal to organisations and businesses looking to improve profitability and service capabilities.

Scott is based in Adelaide and is looking forward to assisting the board in making ICHCA Australia the "go-to" organisation in all things to do with cargo handling. ICHCA Australia Chairman John Warda welcomes Scott on board.

## Aurizon to build zero-emissions locomotive

Aurizon recently contracted Progress Rail, a Caterpillar company and global leader in rail technology solutions, to undertake this innovative project. Work of this kind has the potential to reduce Australia's transport emissions and transform the nation's freight supply chains. This will be the first freight unit powered by batteries to be constructed in Australia, with the potential to use totally renewable energy sources for freight hauls. The batteries will also capture regenerative energy that is created when trains brake or travel downhill.

The prototype is being built at Progress Rail's Redbank facility in south-east Queensland. The unit will be designed as a heavy-haul freight locomotive, capable of working at locations across Aurizon's national network and suitable for Australia's harsh operating conditions. Progress Rail will retrofit one of Aurizon's existing 4000-class diesel locomotives. Aurizon has more than 120 of the 4000-class locos in its national fleet, meaning a successful battery conversion could provide a much faster, less expensive decarbonisation pathway, using fully recycled assets. Locomotives typically have an asset life of 20 to 30 years, so replacing the diesel engine with batteries and recycling the remainder of the locomotive is less expensive, more environmentally sound and based on circular economy principles.

Construction of the locomotive is expected to be complete by early 2025, with on-track trials commencing in the first half of 2025. The charging infrastructure on the selected Australian rail corridor will be completed concurrently.

## AMSA bans two vessels

The Australian Maritime Safety Authority (AMSA) recently banned the Antigua Barbuda-flagged general cargo ship *BBC Weser* from Australian waters for 90 days for being in an unsafe and unseaworthy condition and an unacceptable risk to Australia's marine and coastal environments. This is the second ship AMSA has banned from Australian waters in a week, following the 90-day ban issued to the *Babuza Wisdom*. The Panama-flagged bulk carrier vessel was banned for what AMSA described as "a plethora" of detainable deficiencies, including a defective rescue boat engine. AMSA said *Babuza Wisdom* is operated by "poor-performing" operator, Well Ship management & Maritime Consultant Company Limited. The authority said the operator's run-ins with safety regulators in recent years have earned its fleet a detention rate which is more than five times the average for ships visiting Australian waters.

AMSA detained the *BBC Weser* in May 2023 after inspectors found a significant number of ballast air vents onboard were defective. Functional ballast air vents are critical safety components that prevent water entering a ship, while allowing air to escape, preventing a dangerous vacuum from developing inside a tank. The ship's operator, Briese Heavylift GmbH & Co, has a history of poor performance, with one-in-five of

their ships having been detained in Australia since May 2021. This rate is more than three times the average for ships visiting Australian waters. AMSA had twice contacted Briese Heavylift GmbH & Co to warn them of their poor performance and the potential consequences of further detentions, or more serious compliance and enforcement action. Previous detentions were due to defective emergency generators and unsafe work platforms - negligence which led to a crew member being critically injured while working on one of their ships.

AMSA Executive Director of Operations Michael Drake said the banning sent a clear message to the operator, and the wider shipping industry, that sub-standard ships will not be tolerated in Australian waters. “*BBC Weser* poses a significant risk to the safety of the seafarers onboard, and Australia’s precious marine and coastal environments,” Mr Drake said. “The defects on the *BBC Weser* are especially concerning, as they are detainable deficiencies that would have been obvious to anyone onboard, and that the operator could not have pleaded ignorance to. AMSA has a world class reputation for being a tough-but-fair safety regulator, and we are dedicated to meeting international standards for safety in shipping. Sub-standard ships and their operators have been warned.”

## Qube Logistics trials double stacking

A double-stacked container vehicle has been trialled for the first time on port and public roads in Australia.



The Super B-double Double Stacked vehicle was operated by Qube Logistics as part of a trial conducted under stringent safety and operational conditions at the Port of Brisbane (PBPL). Both the National Heavy Vehicle Regulator (NHVR) and the Australian Road Research Board (ARRB) oversaw the trial, which involved the vehicle carrying eight empty twenty-foot equivalent (TEU) containers on a defined route within Qube’s port facilities and limited public port roads. The trial was conducted under a temporary permit from the NHVR and temporary consent granted by the Port of Brisbane as the Port’s road manager.

Source: Qube

Nicknamed ‘the London Project’ in homage to London’s iconic double decker buses, the high productivity vehicles have the potential to increase operational efficiencies due to their ability to move 12 TEUs at a time. Qube also expects the double-stacked triple-trailing units, produced by O’Phee Trailers and the Drake Group, will lower emissions by eliminating truck movements.

PBPL CEO Neil Stephens congratulated all who were involved on the successful trial which followed a significant period of design, engineering and consultation by Qube with its stakeholders, including PBPL. “This is a fantastic outcome for Qube and all parties involved today. It’s also a clear demonstration of the collaboration and innovation being achieved by our customers and partners here at the Port that’s enhancing productivity and efficiency in their operations,” said Stephens. “As Port Manager, one of our key priorities is investing in infrastructure to support supply chain efficiency,” he said. “We were pleased to deliver road improvement works and upgrade the access/egress to a number of facilities to support this new vehicle and Qube’s innovation.”

Under its current permit and consent conditions, the new double-stacked vehicle will transport empty containers on a defined route within Qube’s facility and limited public port roads, under stringent safety and operational conditions.

## Women & Leadership offers scholarships

Women & Leadership Australia is currently offering professional development scholarships to ICHCA staff and members. The scholarships are open to women across all areas of the transport and logistic sector.

**Women & Leadership Australia (WLA)** supports women at all levels across all sectors and industries. The programs bring together a focus on applied learning with the latest in leadership theory and practice. WLA believes that advancing gender equity, especially in leadership, is central to creating a more fair and inclusive society.

Through their **Industry Partnership Framework**, WLA work with hundreds of Australian associations and professional bodies to increase awareness and action around gender equity. With industry support, WLA can continue to create meaningful opportunities for women leaders across the country.

To encourage more women to increase their impact at work and step into leadership roles across the transport and logistics sector, WLA is offering scholarships for four leadership development courses. **Scholarships of \$1000-\$5000 are available – apply by 31 July.**

Find out more here: <https://www.wla.edu.au/industry/transport-logistics>.

## NSW Ports releases 40-year Master Plan

NSW Ports recently released *NSW Ports 2063: Our 40-year Master Plan for Sustainable Growth* on its tenth anniversary. The plan forecasts that population growth could result in triple the current container trade at Port Botany and double the volume of motor vehicles and machinery through Port Kembla over the next 40 years. Construction materials will also increase significantly over the next four decades to match housing and infrastructure demand, while the shift to renewable energy will drive project cargo trade, such as onshore and offshore wind farm components.

*NSW Ports 2063* outlines objectives to cater for such growth sustainably, including the efficient use of existing port land, moving more freight by rail, protecting freight-related land and infrastructure from land use conflicts, and growing freight-handling capacity. NSW Ports CEO Marika Calfas said the company had charted a course to cater for the state's future trade needs. "Our 40-year Master Plan outlines priorities and actions required to cater for the trade growth and diversification needs of the people and businesses of NSW," Ms Calfas said. "Achieving the actions in our Master Plan will enhance our ports and port supply chains, minimise community impacts, support the competitiveness of exports and support the cost-effective supply of goods for consumers and businesses."

The release of *NSW Ports 2063* comes as the company celebrates its first decade of managing Port Botany and Port Kembla, alongside intermodal facilities at Enfield and Cooks River. "Over the past ten years, NSW Ports and its port operators have invested some \$2.5 billion to meet the State's growing trade needs and improve productivity," Ms Calfas said. "As NSW's trade needs have grown, so too has our ambition to be a world-class port and logistics manager, driving sustainable growth. Already, we are investing in a brighter future, including expansion of port on-dock rail capacity and empty container storage capacity at Port Botany and plans for a future offshore wind port facility at Port Kembla. "We look forward to continuing to work with government, business and the community to deliver sustainable, efficient and productive port supply chains that meet NSW's needs into the future."

The plan can be found here: <https://www.nswports.com.au/publications>



## PhD scholarship opportunity on port performance

Dr Vinh Thai, Professor of Logistics & Supply Chain Management at RMIT University, has announced the development of a research scholarship for a study investigating how to improve port performance in Australia. Noting that our country is heavily dependent on international trade, with more than 99% of our trade volumes going by sea (the consensus quoted figure for international sea trade generally is about 80%), Dr Thai argues that the effectiveness and efficiency of the Australian port system is essential to import/export competitiveness.

The project will investigate how data analytics-enabled innovation can contribute to boosting port performance in the context of Australia and whether this may lead to long-term competitiveness. “The key idea of the project is to conduct a comprehensive baseline analysis of the existing bottlenecks in port performance, and especially identify areas where data analytics-enabled innovations can contribute to improve process efficiency and port productivity. Some pilot studies will then be conducted to examine how some relevant technologies such as AI can help to leverage the implementation of these data analytics-enabled innovations upon which relevant management and policy recommendations shall be proposed,” Dr Thai explained to Shipping Australia. He adds that the PhD scholarship is only available to full-time candidates, who will also need to meet the entry requirements for the PhD program at RMIT, and these requirements can be [found here](#).

## STS summit held in Melbourne

The Simplified Trade System (STS) summit, which was recently held in Melbourne, drew together Australian leaders from industry, government, academia, and international guests to identify opportunities and challenges to reform cross-border trade. The Australian border is a critical national asset. It safeguards Australians and their unique environment from border security and biosecurity risks, while facilitating cross-border trade that is vital to the national economy. With one in five Australian jobs trade-related, and trade in goods representing 40% of Australian GDP, the importance of cross-border trade to national wellbeing cannot be overstated.

While trade volumes have grown significantly over the past decade, investment to modernise the trade system has not kept pace. Previous efforts to implement new technology and regulatory solutions were often siloed and not fully integrated or interoperable. Together with business, the STS reform agenda is changing this. Led by the STS Implementation Taskforce, the reforms are being developed in collaboration with business and across all levels of government to ensure a joined-up approach and realistic appreciation of current complexity to design and deliver lasting solutions.

Simpler trade benefits Australian businesses, governments, and the community, including through reducing the cost of trade and increasing productivity. Central to the success of the STS is ongoing dialogue with business and industry experts. The STS summit was an opportunity to continue this dialogue and start new conversations as we work together to deliver a simplified trade system.

The program of events included a ministerial address, industry and government-led panels, Q&As and discussions covering the STS reform agenda and related topics. Attendees heard from senior government officials as well as industry leaders and academics from across the globe on issues affecting cross-border trade. There was also an opportunity to contribute to the discussions to inform the STS reforms, across topics such as: supply chain, paperless trade, international best practice, economic outlook, and productivity.

## Freight rates unsustainable

Global container shipping freight rates have reached unsustainable levels and must rebound, according to the chief executive of Germany's Hapag Lloyd, the world's number five operator by volume. "There are spot rates that are clearly below cost," said CEO Rolf Habben Jansen in a call with journalists. "In the long run, that typically does not hold. Whenever everything becomes cash negative, then people take the measures that need to be taken to settle rates slightly above cost."

The Shanghai containerised freight index bottomed out early in the second quarter after slipping to below \$1,000 per twenty-foot equivalent unit (TEU) and is barely moving. Transport expenses, meanwhile, have increased significantly, Habben Jansen said, citing a mix of inflation and hikes in fuel and labour costs, and other factors. The company's transport expenses rose 3% year-on-year in the first quarter of 2023 to \$1,324/TEU. Habben Jansen said he expected them to settle at \$1,250 to \$1,750/TEU in due course, but this would still be 25% above pre-pandemic levels. In May the company upheld its 2023 full-year guidance with earnings.

## Updates from the Department of Agriculture, Fisheries and Forestry

### Release of draft 2023-24 biosecurity cost recovery implementation statement (CRIS)

The department has completed its comprehensive review of the biosecurity cost recovery arrangement. The review proposes changes to existing regulatory charging to align fees and charges with the cost to deliver biosecurity and imported food activities. The review process ensured the proposed price changes will recover only the minimum efficient costs of delivering regulatory activities. These changes are set out in the draft 2023-24 CRIS.

The draft CRIS has been published on the department's website and includes proposed fees and charges for biosecurity and imported food regulatory activities, set to come into effect from 1 July 2023. The CRIS will remain in draft until the Federal Executive Council has approved the legislative amendments, which will give effect to the new fees and charges and amendments to definitions for certain regulatory activities. The draft 2023-24 CRIS can be accessed from the [department's website](#).

Following approval of the legislative amendments, the final CRIS will be published on the department's website. Industry will be advised when the final CRIS is available, and the department will confirm commencement of the new fees and charges. Those for biosecurity and imported food regulatory activities are expected to commence on **1 July 2023**.

Please contact the department at [BioCRIS@agriculture.gov.au](mailto:BioCRIS@agriculture.gov.au) if you have concerns or need support to manage the transition to the new prices.

### **DCCC meeting**

The next DCCC meeting will be held on 6 July 2023 in Canberra. If you want to raise any issues, please notify Peter van Duyn who will represent ICHCA Australia at the meeting.

### **IPPC meeting**

The International Plant Protection Convention (IPPC) and the Department of Agriculture, Fisheries and Forestry will hold an *International workshop on pest risk mitigation of sea containers and their cargoes and the facilitation of international trade* between 17 and 19 July 2023 in Brisbane. The outcome of this workshop could have far-reaching consequences for the global container supply chain. ICHCA Australia's Peter van Duyn will take part in this workshop. If you like to have some input, please contact Peter.

Further information can be found here: <https://www.ippc.int/en/core-activities/capacity-development/sea-containers/international-workshop-on-pest-risk-mitigation-of-sea-containers-and-their-cargoes-and-the-facilitation-of-international-trade-defining-the-way-forward/>

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